

those sectors of our economy with the greatest need. To rectify this problem, I am introducing a legislative package to ensure that training programs provide the skills that American employers need by bolstering industry-driven training programs, creating incentives for successful placement, and providing for the special concerns that multi-state regions, such as the Washington Metropolitan Area, experience as they seek qualified workers.

The bills I have introduced today are:

H.R. , TO ESTABLISH FOR REGIONAL SKILLS TRAINING ALLIANCES

Modeled after the successful Manufacturing Extension Program, this bill recognizes that in rapidly expanding industry, employers are best positioned to identify the skills and knowledge needed for emerging jobs. It would provide matching funds to encourage companies to participate in consortia that would address their industry's specific skill needs. Every dollar in federal support will be matched by a dollar in state or local government support and a dollar in direct industry support.

H.R. , TO ESTABLISH REGIONAL PRIVATE INDUSTRY COUNCILS FOR LABOR MARKET AREAS THAT ARE LOCATED IN MORE THAN ONE STATE

This bill allows the Secretary of Labor to establish Regional Private Industry Councils (PICs). PICs play a constructive role in addressing the workforce needs within a state. These organizations, however, are state organizations and not formed to address problems that may cross state lines. To remedy that situation, this bill would allow the Secretary of Labor to certify, and fund, regional PICs that address regional problems. The new PICs would be funded directly by the Secretary of Labor to ensure that they do not take from existing state programs.

H.R. , TO PERMIT PAYMENT OF INCENTIVE BONUSES TO CERTAIN JOB TRAINING PROVIDERS THAT PLACE LARGE PERCENTAGES OF INDIVIDUALS IN OCCUPATIONS FOR WHICH A HIGH DEMAND EXISTS

This bill would ensure that the federal government's investment in training is well spent by allowing Private Industry Councils to reward bonuses to training providers with a high percentage of placement. This will help establish a more outcome-based system to ensure that training providers emphasize placing their students. This bill would amend JTPA to allow funds to be used for bonuses for training providers of specific direct training services. This creates an incentive for training providers to provide up-to-date training opportunities that coincide with market needs, and to help place trainees after they have completed their training.

H.R. , TO ALLOW EMPLOYERS A CREDIT AGAINST INCOME TAX FOR HIGH TECHNOLOGY JOB TRAINING EXPENSES

This bill would offer employers who train employees for information technology jobs a tax credit for 50 percent of the training costs up to \$2,500 per year, per employee. The credit provides an important incentive, yet requires that industry bears at least half of the training costs.

IMPROVING OUR NATION'S RETIREMENT SAVINGS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1999

Mr. McCOLLUM. Mr. Speaker, I am introducing a bill today which will help all Americans save for their retirement years. It is no secret that our current savings rate is among the lowest in the industrialized world. A low savings rate not only adversely impacts a person's retirement, it does not create much capital available for savings and investment. Without this capital, our economy cannot expand at its optimal rate. It is my hope that this legislation, if enacted, would help correct this problem.

My legislation would do several things. First, it would increase the amount of money one may contribute to an Individual Retirement Account (IRA), from \$2,000 to \$4,500, and still receive full deductibility. This amount is also indexed to inflation to protect its value from that silent thief of inflation. This would also remove a disincentive to establishing an IRA, that being the fear that the money will not be available without paying a substantial penalty when you need it. A person with an IRA would be able to make withdrawals, without penalty, for long-term care, financially devastating health care expenses, and during times of unemployment. Furthermore, no taxes would be paid on these withdrawals if they are repaid to the IRA within 5 years.

Current law offers no incentive for many people to establish IRA's. My bill would allow people who do not have access to a defined contribution plan—e.g., a 401(k) plan—to establish a tax-preferred IRA, regardless of their income. The legislation would also encourage the middle class to establish IRA's by raising the income phase-out levels from \$25,000–\$40,000 for joint filers—to \$75,000–\$120,000 for joint filers. This will provide not only incentives, but needed tax relief for the middle class. Again, these levels are indexed to inflation.

Turning to 401(k) reforms, currently folks are hit with tax liability when taking their 401(k) benefits as a lump sum when leaving a job even if it is rolled into an IRA. This is not fair. Therefore, under this proposal, people would not be exposed to tax liability if the lump sum distribution is rolled into an IRA within 60 days.

Just as contribution limits have been increased for IRA's in this legislation, they are increased for 401(k) plans as well. The tax-deductible contribution limits would be \$20,000—in 1992 dollars—indexed to inflation. This would also encourage more firms to establish defined contribution plans by injecting some common sense into the law. It would allow firms to meet antidiscrimination requirements as long as they provide equal treatment for all employees and ensure that employees are aware of the company's 401(k) plan. This is truly nondiscriminatory as everyone would be treated the same.

Finally, this proposal would correct some of the serious problems involved with IRA's and 401(k)'s when the beneficiary passes away. As someone who believes the estate tax inherently unfair, indeed I advocate its abolishment, I feel that IRA and 401(k) assets should

be excluded from gross estate calculations. This bill would do that. Furthermore, an IRA that is bequeathed to someone should be treated as the IRA of the person who inherited it. Current law forces the disbursement of the IRA when the deceased would have turned 70½ years old. This would change that point-less provision, allowing the inheritor to hold the money in savings until he or she turns 70½.

Similarly, anyone receiving 401(k) lump sum payments as a result of a death would not have the amount counted as gross income as long as it is rolled into an IRA. That amount would not be counted against the nondeductible IRA limit of \$4,500.

Mr. Speaker, I am excited about this legislation. I expect to introduce this legislation again at the beginning of the next Congress and look forward to hearing debate on it. It is absolutely essential that we continue to encourage personal savings and this is certainly a step in the right direction.

COMMENDING BEACON COLLEGE IN LEESBURG, FLORIDA

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1999

Mr. STEARNS. Mr. Speaker, one of the world's greatest documents is our Declaration of Independence. It proclaims our unalienable rights, among them "Life, Liberty and the pursuit of Happiness." This is one of the central components of the American experience, the right to use your God-given abilities to pursue your goals. As Americans, we are entitled to go as far as our talents will carry us. That is why it is imperative to ensure that every individual has the chance to succeed.

A few weeks ago, I had the privilege of visiting Beacon College in Leesburg, Florida, a school in my district dedicated to providing opportunities. Beacon College offers the opportunity of a higher education to students with learning disabilities.

Learning disabilities can affect a person's ability to read, write, speak, or compute math, and can impair socialization skills. This disability can be a life-long condition affecting how that person functions in school, at home, or in the work place. And this is not a rare occurrence; 15 to 20 percent of the U.S. population have some form of learning disability.

People with learning disabilities can and do excel in their individual pursuits, they just need the chance. Beacon College is committed to working with a diverse student population, assisting each with an individual approach, taking into consideration differences in experiential backgrounds, pace and readiness to learn, learning styles, and individual strengths and weaknesses.

Beacon College offers Associate of Arts and Bachelor of Arts degree programs in Human Services and Liberal Studies. The Human Services program stimulates the student's interest in intellectual, philosophical, social, and public issues. This program concentrates on human development and public services. The Liberal Studies program provides a well-rounded liberal arts education. Both programs are designed to help students achieve their career goals.